

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6300**

**BILL NUMBER:** HB 1296

**NOTE PREPARED:** Dec 16, 2002

**BILL AMENDED:**

**SUBJECT:** Motor Vehicle Tort Claims Action.

**FIRST AUTHOR:** Rep. Kruse

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** The bill provides that a governmental entity may be held liable for a tort claim involving the negligent operation of a motor vehicle if the claimant's contributory fault is 40% or less.

The bill makes conforming amendments.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** This bill will potentially increase the number of motor vehicle tort claims filed against governmental entities. The bill's provisions allow a person whose contributory fault is less than 40% to make a motor vehicle tort claim against a governmental entity. (Under current law, a governmental entity cannot be held liable for the negligent operation of a motor vehicle if the claimant has any level of contributory fault.)

The combined liability of governmental entities cannot exceed \$300,000 for the injury or death of one person in any one occurrence and \$5 M in damages to all persons in that occurrence. The direct impact of this proposal is currently unquantifiable as it will depend upon the specific nature of future claims and lawsuits made against governmental entities.

The Office of the Attorney General reports that \$3.3 M was paid in FY 2002 as a result of tort claims submitted and tort claim lawsuits filed against the State. This amount includes tort claims paid at the time of claim submission, settlements upon the filing of lawsuits, and claims paid as a result of a court order. It also includes cases in both federal and state court.

*Attorney General's Office:* An increase in the number of claims against the state would increase the workload of the Attorney General's office. The impact will depend on the number and type of claims filed.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** Local governmental entities would be subject to the bill's provisions.

**Explanation of Local Revenues:**

**State Agencies Affected:** Attorney General's Office.

**Local Agencies Affected:** Political subdivisions.

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